

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 361st
MEETING OF THE BOARD OF COMMISSIONERS April 26, 2012**

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on April 26, 2012 at 9:00 am at the Rhode Island Convention Center, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Chairman, Jim Bennett, Commissioners, Dale Venturini, Scott Gunn, Bernie Buonanno, Letitia Carter, Patrick Butler, Jeff Hirsh, George Nee, Paul MacDonald and Stan Israel.

Also present were James P. McCarvill, Executive Director, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Tim Muldoon, Deb Tuton, Kathy Masino and Nancy Beauchamp, Convention Center; Larry Lepore, Cheryl Cohen and Kate Bizier, Dunkin' Donuts Center; Steve Habl, VMA; Martha Sheridan, PWCVB; Kayleigh Pratt, Senate Fiscal; Michael Abbott, NC Architects; Bruce Leach, Legal Counsel; Victoria Sheridan, Guest and Eileen Smith, Recording Secretary.

Recognizing a quorum Mr. Bennett called the meeting to order at 9:10 AM. Mr. Bennett asked for a motion to approve the minutes of the March Board Meeting. Upon a motion duly made by Mr. Nee and seconded by Ms. Venturini it was unanimously

VOTED: to approve the minutes of the March meeting.

Mr. Bennett asked Mr. McCarvill to present the financial information. Mr. McCarvill said that for the month of March, net income for the VETS was (\$30,334) to budget and (\$33,041) to the previous year. Mr. McCarvill stated that year to date net income was (\$33,564) to budget and (\$135,745) to the prior year. Mr. McCarvill stated that costs for operations and cleaning during construction led to a greater loss than anticipated. Mr. McCarvill said that the loss of the Ballet and the Providence Singers has had an impact. He also stated that the VETS should have a very good April and May. Mr. Nee asked Ms. Carter if there is any special programming that could be introduced to improve the food and beverage numbers at the VETS. Ms. Carter said that the Black Box Theater should help with food and beverage. Mr. McCarvill reported the Convention Center net income for March was \$5,289 to budget and \$90,516 to the prior year. Year to date net income was (\$345,726) to budget and (\$293,393) to the prior year. Lower performance in November and December continues to impact the year to date performance. Mr. McCarvill said that parking revenue has offset the loss. Mr. McCarvill reported that the Dunkin' Donuts Center net income variance for the month of March was (\$332,507) to budget and (\$295,102) to the prior year. Year to date net income for the Dunk was (\$1,204,605) to budget and (\$452,984) to the prior year. Mr. McCarvill reported that the timing of the Harlem Globetrotters and increased costs for Indoor Auto Racing contributed to the variance.

Mr. McCarvill reported that net income for the Authority income was \$46,581 to budget and (\$16,136) to the prior year. Year to date net income is \$739,538 to budget and \$549,786 to the prior year. McCarvill stated that consolidated net income for the month of March was (\$310,971) to budget and (\$253,763) to the prior year. Year to date consolidated net income is (\$838,761) to budget and (\$326,751) to the prior year.

Mr. Hirsh reported that four Auditing firms had responded to our RFP for Auditing Services. A matrix was distributed indicating the firms and the bid amounts. Mr. Hirsh noted that LGC&D was the low bidder and we have received approval from the Auditor General to continue to engage LGC&D as our independent auditors. Mr. Hirsh asked for a motion to approve the selection of LGC&D as our independent auditors for a three year period June 30, 2012 through June 30, 2014.

Upon a motion duly made by Ms. Venturini and seconded by Mr. Butler it was unanimously

VOTED: to approve the selection of LGC&D as our independent auditors for a three year period June 30, 2012 through June 30, 2014.

Mr. Bennett asked for a motion to convene in executive session pursuant to Section 42-46-5(a)(2) and (7) of the Rhode Island General laws in connection with consideration of the proposed bids for the VETS renovation. Upon a motion duly made by Mr. Nee and

seconded by Mr. Israel and by a roll call vote it was unanimously

VOTED: to convene in executive closed session pursuant to Section 42-46-5(a)(2) and (7) of the Rhode Island General laws to consider the proposed bids for the renovations of the VETS.

Vote:

Jim Bennett, yes

Paul MacDonald, yes

Jeff Hirsh, yes

Bernie Buonanno, yes

Patrick Butler, yes

George Nee, yes

Stan Israel, yes

Jeff Hirsh, yes

Dale Venturini, yes

Letitia Carter, yes

Open session resumed at 9:53 am. Mr. Bennett announced that no votes were taken in Executive Session. Upon a motion duly made by Mr. Nee and seconded by Mr. MacDonald it was unanimously

VOTED: to seal the minutes of Executive Session

Mr. Nee departed at 9:55 am.

MARKETING

Ms. Venturini reported that the Marketing Committee had met on Tuesday and she asked Ms. Sheridan to update the Board. Ms. Sheridan stated that the CVB has found a new home and would be moving into the GTECH building in August. Ms. Sheridan noted that the CVB will be holding a customer round table to get input from customers on ways that we can improve on the customer experience. Ms. Sheridan reported that meeting planners are not booking as many room blocks as in previous years. Ms. Venturini explained that the rooms are being used but not booked through the room block arrangement. She said that sometimes an attendee can get a lower rate on line. Ms. Sheridan noted that there was an increase in occupancy for March and that year to date both rate and occupancy are up. Ms. Sheridan was pleased to report that RI Sports Commission had won an award for an ad campaign. Mr. Bennett reported that the new owners of the Biltmore are closing in on their plans for renovations. He said that they will begin renovating in May and the first item will be HVAC.

Ms. Keough reported that she has been working on an internal communications plan so that everyone will be aware of what others are working on in the facilities and eliminate duplication of effort and the thought that someone else has a project under control. Ms. Keough also reported that the plaque honoring the Providence victims of the Beirut Bombing is being planned. She noted that the

plaque was removed during Dunk renovations and it has been brought to our attention by the families that it was not reinstalled. Ms. Keough said that a rededication ceremony will take place on May 20th. Mr. MacDonald thanked Ms. Keough for arranging the rededication and said that the victim's families will be grateful. Ms. Keough reported that she has been doing research on web design. She said that our web site needs upgrades.

Mr. Lepore stated that he is concerned with the concert business. He noted that we had budgeted 17 concerts and only 11 were held. Mr. Lepore said that he has been discussing the future with others in the business and that no one is expecting things to change in the near future. Mr. Lepore said that his contacts said that acts don't last and that a talent that you book now may not be a draw in six months. Mr. Lepore noted that the new up and coming draw is techno dance. Mr. Lepore stated that he had met with the Mayor and Coach Cooley. He said that Coach Cooley is confident that Providence College Basketball fans will see the next great player. Mr. Lepore stated that the new Big East will not draw like the old but Providence College is still our best tenant and that we would like to see fewer empty seats. Mr. Gunn stated that it is his understanding that the purpose of the Authority is economic impact. He said therefore if we only break even isn't that being successful. He said that he would like to more fully understand our role. He said that if we are not losing money than we are doing our job. Mr. Buonanno asked if we are using false budget assumptions. Ms. Venturini said that she would like to see

any new business plan brought to the Commissioners at a Committee level first. Mr. McCarvill stated that we have tried a number of strategies. He said that we have attempted the shared risk and shared reward and that only lasted a few years. Mr. McCarvill stated that Live Nation no longer comes to the table and we are at a point where we no longer want to buy. Ms. Venturini said that we should put together a more realistic budget. Mr. MacDonald voiced his confidence in Mr. Lepore's leadership. Mr. Israel asked that a summary be prepared explaining the situation.

CONVENTION CENTER

Mr. Muldoon reported that March was a good month for the Convention Center. Mr. Muldoon distributed an electrical usage matrix analysis. He said that usage is down even though we have been very busy. Mr. Muldoon noted that we are now more efficient and it is reflected in real dollar savings. Mr. Butler said that he had some concerns with the lighting in the tunnel on West Exchange Street. Mr. Muldoon said that Ms. Tuton is in the process of addressing those issues.

VETS

Mr. Habl reported that the VETS had recently been the venue for an education series with the Philharmonic. Mr. Habl stated that the students were exposed to classical music. Mr. Habl said that two

sessions were held on the same day and logistically it was very difficult but a worthwhile exercise. Mr. Hahl said that dance competitions are starting up which are good business for the theater. Mr. Hahl also noted that in June there will be several high school graduations at the VETS. Mr. Butler asked if we are close to signing a contract with PFM. Mr. McCarvill said that a contract is being worked on and that it is close to being complete. Mr. McCarvill said that he hopes to bring the contract before the Commissioners next month.

Mr. McCarvill reported that the Medal of Honor Wall that was originally in front of the Dunkin' Donuts Center has been relocated to the Veterans Cemetery in Exeter. Mr. McCarvill invited everyone to the rededication ceremony to be held on May 20th at the cemetery.

Mr. Bennett asked if there was any new business. Hearing none Mr. Bennett asked for a motion to adjourn. Upon a motion duly made by Mr. Gunn and seconded by Mr. Butler it was unanimously

VOTED: to adjourn at 10:50 AM